GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1209
ANSWERED ON:02.03.2000
IMPORT DUTY ON SOYA OIL
SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Governments have reduced import duty on Soya-oil from 60% to 15%; (

(b) if so, the reasons therefor;

(c) whether the farmers are suffered due to heave reduction in import duty on edible oils;

(d) if so, the details therefore;

(e) whether the Government of Madhya Pradesh and others representing the trade and farmers have proposed increase in import duty on Soya-oil and other edible oils;

(f) if so, the details thereof; and (g) the Government`s decision thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI V. SREEI PRASAD)
(a),(b),(c) & (d): The duty on edible oils including soyabean oil which was 65% in April 1994 was progressively brought down to 30% in March 1995, 22% in March 97 and 15% in July, 1998 in lieu of steep increrase in prices of oil in the domestic market. It was increased to 16.5% in March 1999.
(e) & (g) : Government received representations from the trade and farmers that the heavy inflow of imported oil was affecting them. Government examined the representations and increased import duty of refined edible oils from 16.5% to 27.5% (including surcharge) with effect from 30.12.1999. While the import duty on crude vegetable oil has been maintained at 16.5%, it has been subjected to actual user condition so that only domestic processing industry can import such oils. The increase in duty has been effected with a view to helping the farmers to obtain better price for their produce as also to help the domestic oil seed processing industry to improve their capacity utilization and achieve greater value addition within the country.